

RÉSUMÉ DIGEST

ACT 226 (HB 554)

2017 Regular Session

Schroder

Existing law provides for the methods of procurement that a state entity can use for contracts and purchases under the Procurement Code, including the use of reverse auctions.

Prior law authorized the use of reverse auctions for purchases made under the Procurement Code with the approval of the state chief procurement officer and the determination of the head of the agency making the procurement that the method would be more advantageous than other procurement methods.

New law deletes the requirement that the head of the agency making the purchase make a determination that the reverse auction method is more advantageous than other procurement methods.

New law further authorizes the use of reverse auctions for any monetary amount, including small purchases, which are currently purchases not exceeding \$25,000.

Prior law required the advertisement or notice of the purchase be published in the official journal of the state at least 20 days before the opening date of the reverse auction.

New law changes the requirement regarding the advertisement or notice from 20 days before the opening of the reverse auction to conformity with the requirement for public notice of sealed bidding or small purchases pursuant to existing law in the Procurement Code.

New law requires the office of state procurement to report annually on the use of the reverse auctions and any savings achieved.

Effective August 1, 2017.

(Amends R.S. 39:1600(D)(1), (2)(intro. para.), and (3); Adds R.S. 39:1600(D)(4))